



# Maryland Medicaid under the ACA

**Alice Middleton**

*Deputy Director, Medicaid Planning Administration*

April 16, 2013

# Supreme Court's Ruling on the ACA

---

- Most of the law was upheld, including the individual mandate that everyone must have insurance by concluding the penalty for not having it can be considered a tax
- The requirement that states expand Medicaid to all people under 133% FPL was struck down
  - Invalidated financial penalties states would face for not expanding
  - States can still choose to expand
- This does not impact Maryland because Governor O'Malley decided to fully implement health care reform prior to ruling, regardless of whether it was struck down or not.

# Greater Accessibility

---

- Maryland Medicaid is going forward with the expansion to include all adults under 138% of the Federal Poverty Level (FPL).
- Recipients enrolled in the limited benefit program, Primary Adult Care (PAC), will receive full Medicaid benefits in 2014.
- Applicants will be able to apply online, by phone, mail, or in-person at existing and new locations.

# Simplified Eligibility Determinations

---

- Beginning in 2014, many eligibility categories will be collapsed.
- Eligibility for most people will be based on Modified Adjusted Gross Income (MAGI).
  - This is a federal standard, linked to tax methods.
  - All states will use the same method.
  - There are no asset tests.
  - Medicaid (in most eligibility categories) and the Maryland Health Benefit Exchange (MHBE) will use the same method.

# Real-Time Determinations

---

- Starting in 2014, eligibility workers will use the new eligibility system and web portal, the **Maryland Health Connection**, when working with the Medicaid population.
- Eligibility will be determined in real-time.
- Data from the IRS, Social Security Administration, and other state and federal data sources will be available.
  - No paper verification will be necessary when the information is already available.
  - Many data fields will pre-populate based on available data.

# Real-Time Determinations

---

- Individuals will be able to enroll in a Medicaid Managed Care Organization (MCO) as part of the eligibility process by choosing online.
- People can still apply in-person at Local Departments of Social Services, Local Health Departments, and at Navigator locations.

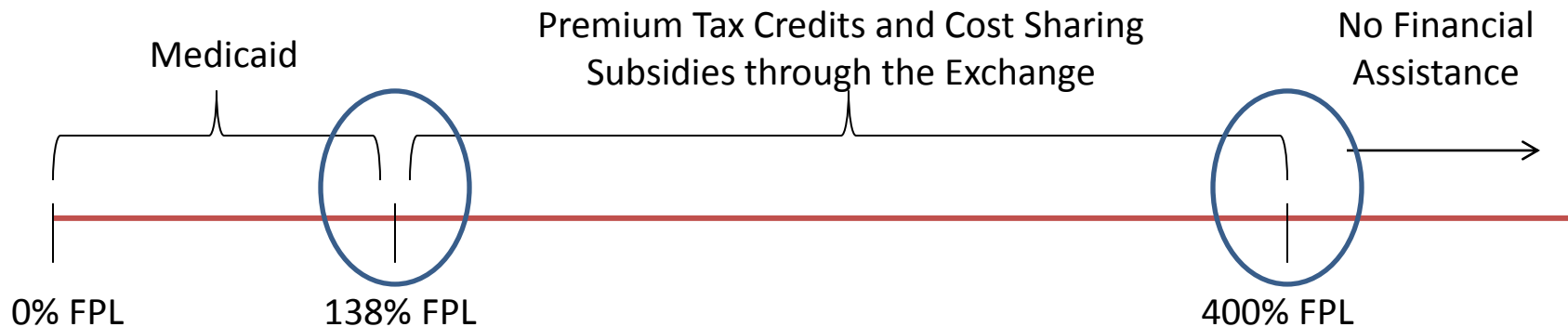
# Medicaid after Reform

---

- If a person qualifies for Medicaid, s/he will receive the full benefit package, regardless of income level.
- MCO enrollment will be required for Medicaid recipients enrolling through the Maryland Health Connection.
- Medicaid will continue to ensure that there are enough health care providers.
  - Medicaid requires that MCOs have minimum ratio of primary care providers to recipients in their networks.
  - Medicaid reviews MCO provider networks annually.

# New Medicaid MCOs and Continuity of Care

- Two new companies have applied to become MCOs, meaning in 2014 there may be as many as **10** MCOs participating in Medicaid.
- MCOs will be expected to work with the MHBE and private issuers to ensure continuity of care as individuals move between Medicaid, Qualified Health Plans, and other private insurance.



This depicts adults. Children are in Medicaid or CHIP to 300% FPL.



# Consumer Assistance

---

- Medicaid and the MHBE will jointly utilize a statewide call center called the Consolidated Services Center and Navigator/enrollment brokers as shared services for assistance.
- Navigators will:
  - Conduct public education and outreach as required by the Affordable Care Act
  - Distribute fair and impartial information
  - Facilitate enrollment in health plans
  - Provide referrals for grievances, complaints, and questions
  - Provide information in a culturally and linguistically appropriate manner
  - Maintain expertise in eligibility, enrollment, and program specifications

# Informing the Public about Expansion

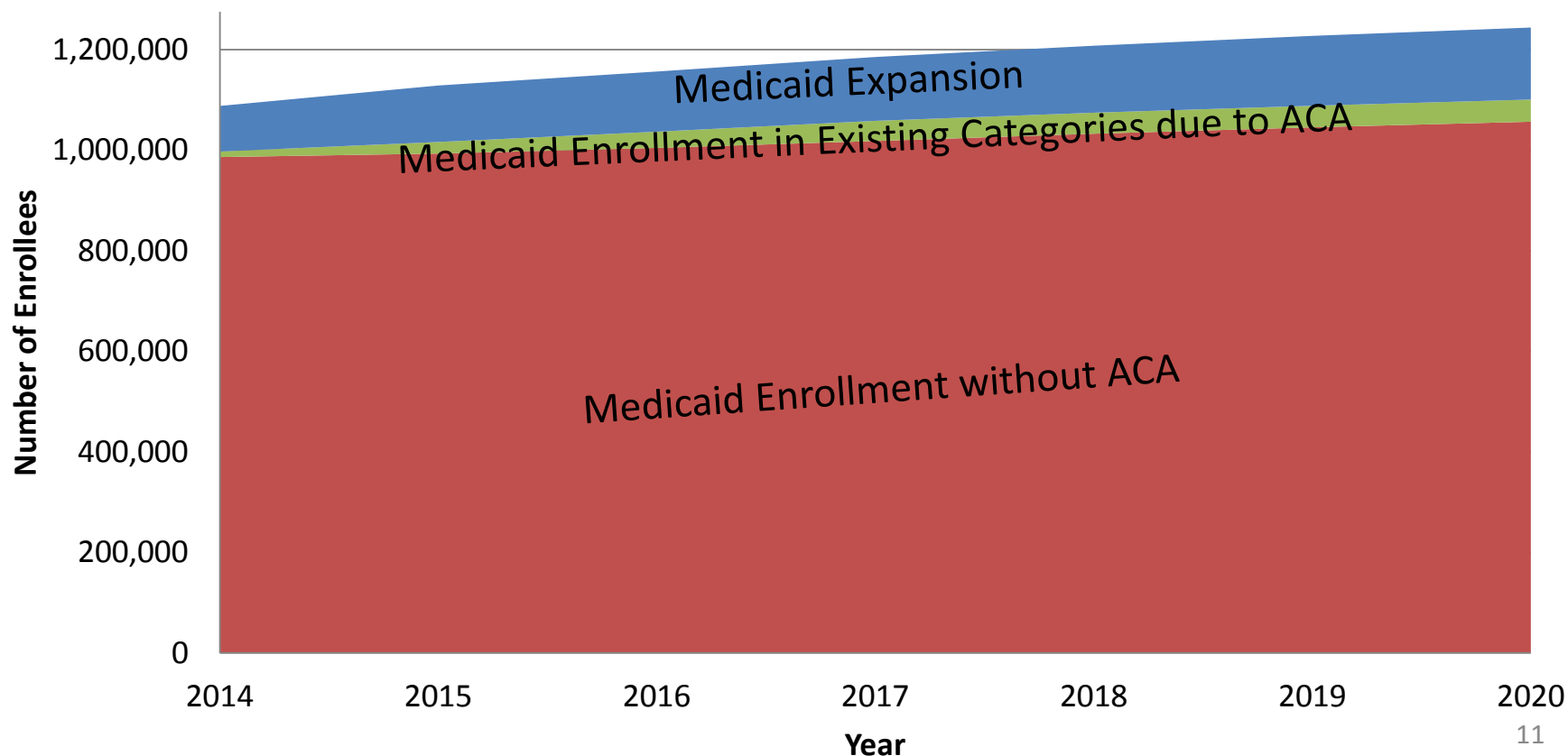
---

- Medicaid has hired a marketing firm who will work with the MHBE vendor to target messaging about the expansion to potential Medicaid eligibles.
- The firm will target people who are eligible for PAC **now** to get them enrolled prior to expansion so that they can **automatically receive full benefits** on January 1, 2014.

# Impact on Maryland Medicaid

- The expansion is estimated to expand full coverage Medicaid to over 190,000 Marylanders by 2020.

## Medicaid Enrollment with and without ACA



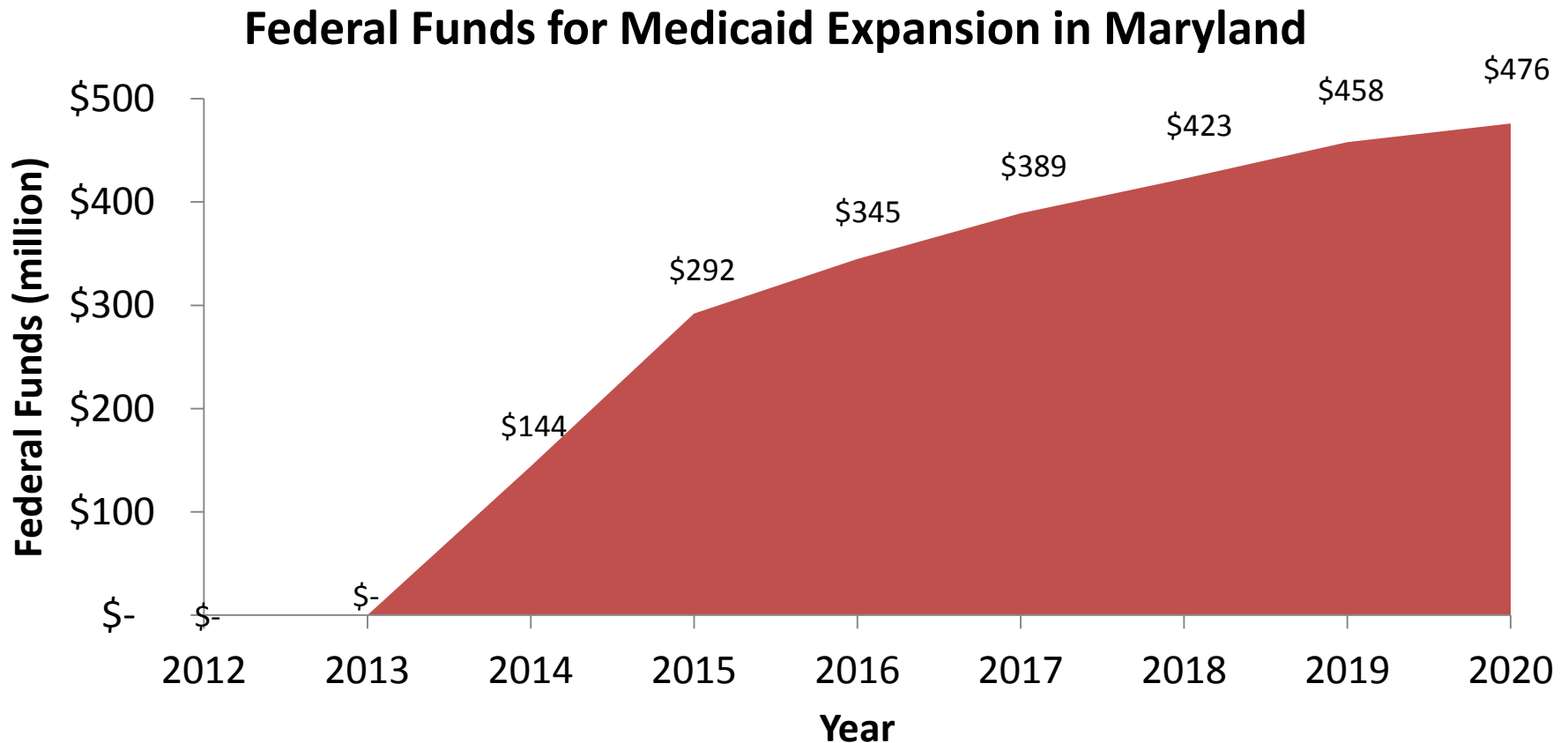
# How Medicaid Will Expand

---

- In 2014, 20,000 individuals new to Medicaid will be eligible for full benefits.
- Maryland currently provides childless adults a limited benefits package through PAC.
  - In 2014, approximately 88,000 PAC enrollees will be **automatically enrolled** into full Medicaid.
  - Therefore, it is important to enroll all eligible people into PAC **now**.

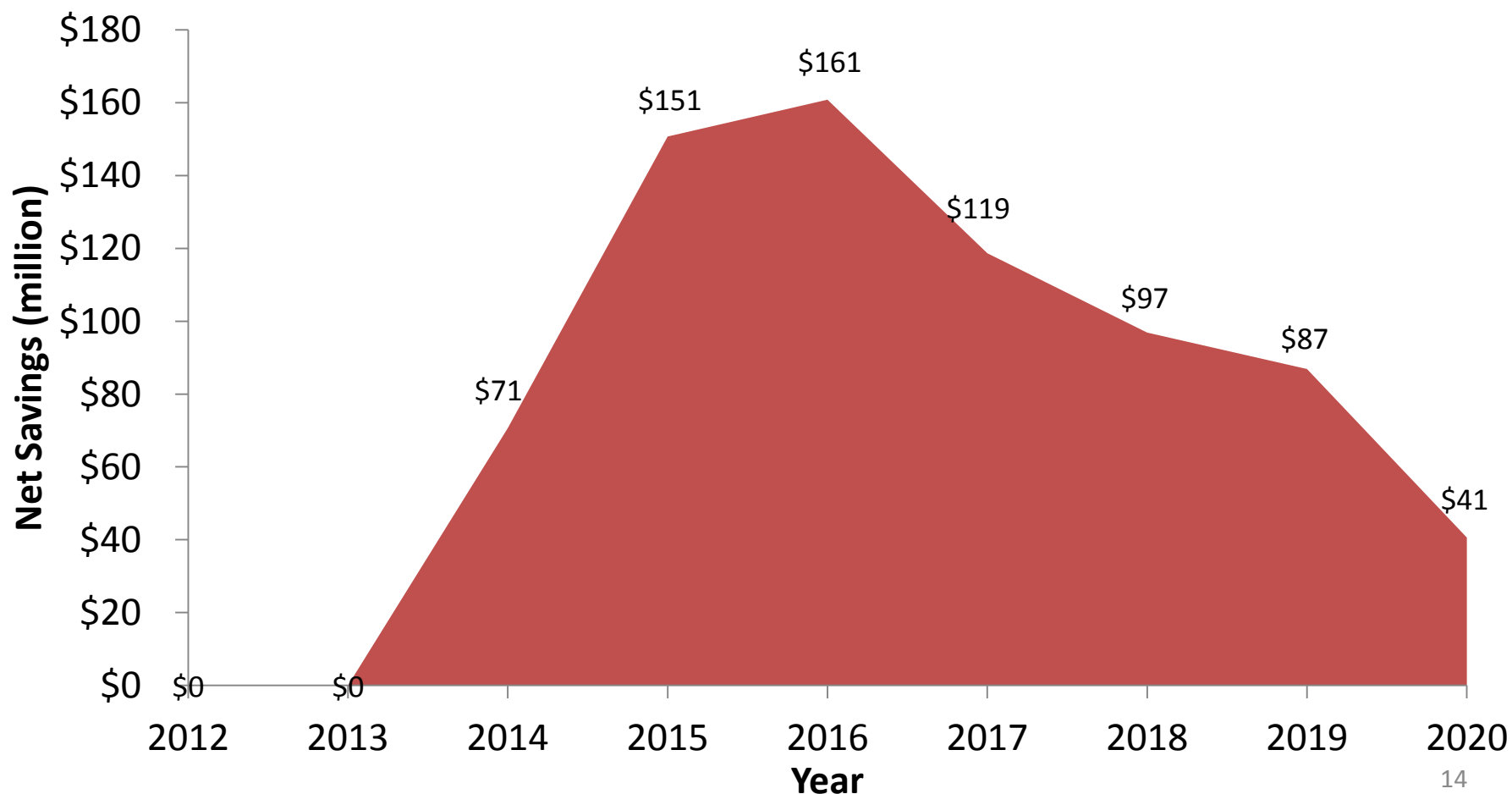
# Increased Federal Funds for Maryland

- The Medicaid expansion is expected to bring about \$2.5 billion in federal funds into Medicaid between 2014-2020.



# Savings for Maryland

## Net State Savings from Converting PAC to the Medicaid Expansion



# Financing the Expansion

---

- The federal government will finance 100% of the costs of covering the Medicaid expansion population from 2014 through 2016.
- The funds will then begin to taper down until it reaches a 90/10 match in 2020 (90% federal funds, 10% state funds), where it will remain indefinitely.
- Converting PAC from a 50/50 match rate to the enhanced expansion match rate will save the Medicaid program a substantial amount of money.

# What Won't Change in Medicaid

---

- For people applying for Medicaid for long term supports and services, the same income and asset tests will remain in place.
- There will be no change to QMB and SLMB coverage categories.
- Maryland residency requirements will not change.
- The Employed Individuals with Disabilities (EID) Program will continue to exist in its current form. It will not be incorporated in the Maryland Health Connection.
- Nursing homes, home health services, senior care, assisted living group homes, and congregate housing programs will not be affected by the expansion.





**Alice Middleton**

Deputy Director, Medicaid Planning Administration

[Alice.Middleton@maryland.gov](mailto:Alice.Middleton@maryland.gov)